RAIN INDUSTRIES LIMITED

Earnings Presentation – Q2 CY19

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RAIN is a leading vertically integrated global producer of a diversified portfolio of products that are essential raw materials for staples of everyday life. We operate in three business segments: Carbon, Cement and Advanced Materials. Our Carbon business segment converts the by-products of oil refining and steel production into high-value carbon-based products that are critical raw materials for the aluminium, graphite, carbon black, wood preservation, titanium dioxide, refractory and several other global industries. Our Cement segment consists of two integrated cement plants that operate in the South Indian market, producing two primary grades of cement: ordinary portland cement ("OPC") and portland pozzolana cement ("PPC"). Our Advanced Materials business segment extends the value chain of our carbon processing through the downstream refining of a portion of this output into high-value chemical products that are critical raw materials for the specialty chemicals, coatings, construction, petroleum and several other global industries. We have longstanding relationships with most of our major customers, including several of the largest companies in the global aluminium, graphite and specialty chemicals industries, and with most of our major raw material suppliers, including several of the world's largest oil refiners and steel producers. Our scale and process sophistication provides us the flexibility to capitalize on market opportunities by selecting from a wide range of raw materials, adjusting the composition of our product mix and producing products that meet exacting customer specifications, including several specialty products. Our production facility locations and integrated global logistics network also strategically position us to capitalize on market opportunities by addressing raw material supply and product demand on a global basis in both established and emerging markets.

Forward Looking Statement

This presentation contains forward-looking statements based on management's current expectations, estimates and projections. All statements that address expectations or projections about the future, including our statements addressing our expectations for segment volumes and earnings, the factors we expect to impact earnings in each segment, demand for our products, our expected uses of cash, and our expected tax rate, are forward looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and difficult to predict. If known or unknown risks materialize, or should underlying assumptions prove inaccurate, our actual results could differ materially from past results and from those expressed in the forward-looking statement. Important factors that could cause our results to differ materially from those expressed in the forward-looking statements include, but are not limited to lower than expected demand for our products; the loss of one or more of our important customers; our failure to develop new products or to keep pace with technological developments; patent rights of others; the timely commercialization of products under development (which may be disrupted or delayed by technical difficulties, market acceptance, competitors' new products, as well as difficulties in moving from the experimental stage to the production stage); changes in raw material costs; demand for our customers' products; competitors' reactions to market conditions; delays in the successful integration of structural changes, including acquisitions or joint ventures; the laws, regulations, policies and economic conditions, including inflation, interest and foreign currency exchange rates, of countries where we do business; and severe weather events that cause business interruptions, including plant and power outages or disruptions in supplier or customer operations.

Second-Quarter Summary

Financial Highlights

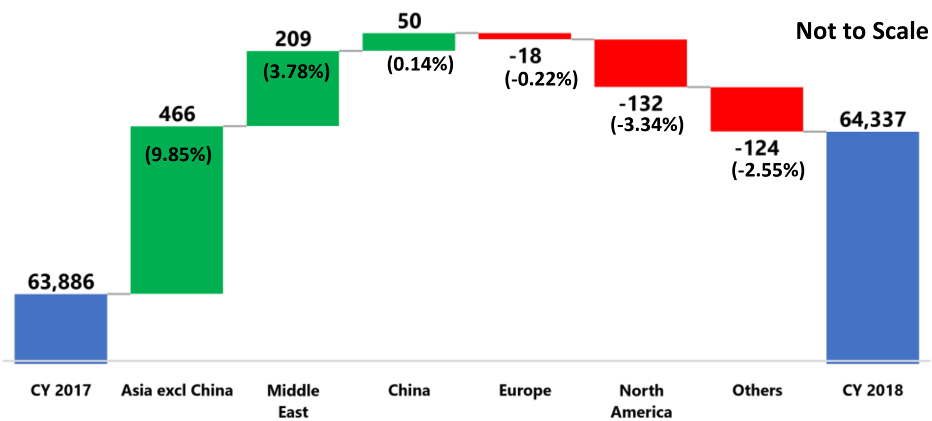
- Revenue from Operations is ₹33.4 billion and Adjusted EBITDA is ₹4.5 billion
- Adjusted Net Profit After Tax is ₹1.4 billion and Adjusted Earnings Per Share is ₹4.2
- Adequate liquidity to fund operations, CAPEX projects and meet debt obligations in the near-term

Business Highlights

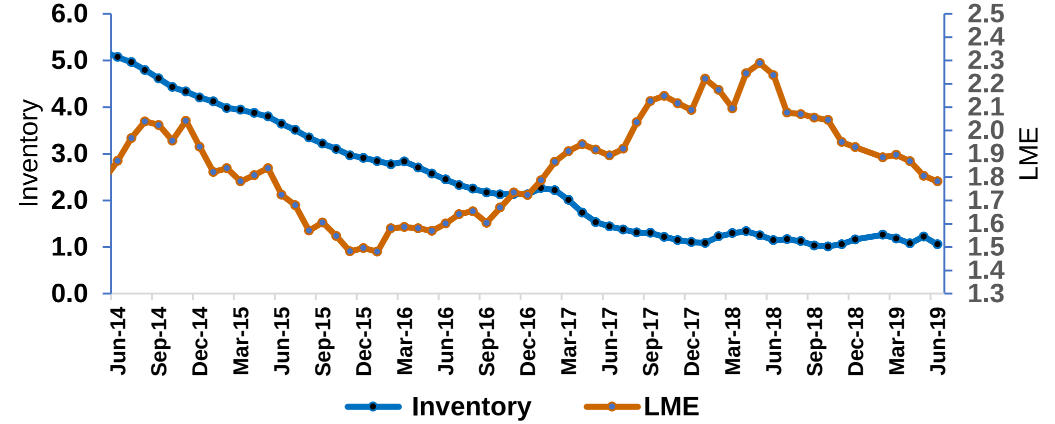
- Performance continues to improve after flushing expensive raw materials
- Increased pitch volumes due to increased demand
- Restrictions on petcoke imports in India still affecting Carbon segment performance
- Advanced Materials segment revenue impacted due to product mix
- Cement business performance improved due to increase in volumes

Market Update

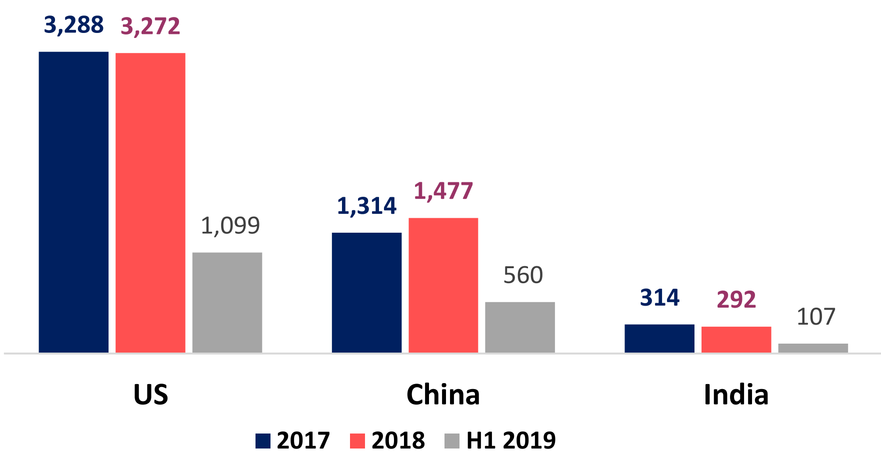
Primary Aluminium Production Growth in Thousand Metric Tons



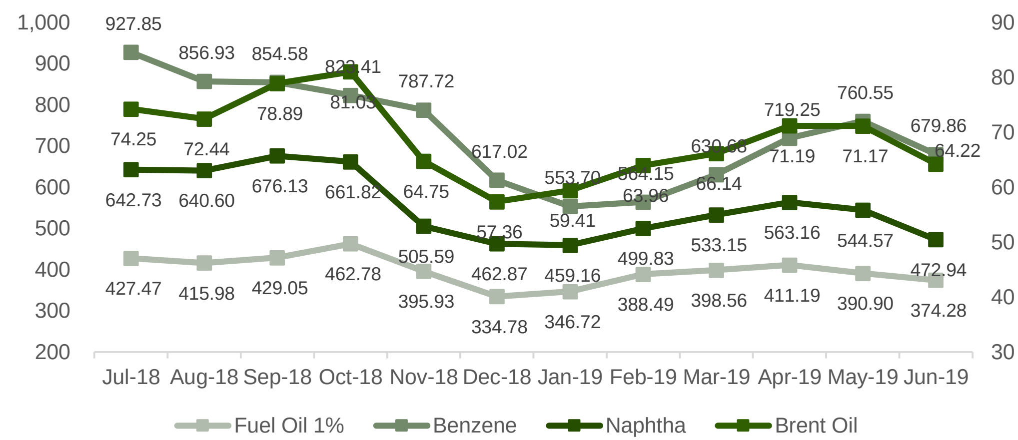
LME AL Inventory (Million MT) vis-à-vis **LME AL Quote** (000 US$ per MT)



CPC Exports in Thousand Metric Tons



Price Trends of Key Drivers in Advanced Materials Business



Due to increased usage of Aluminium; World demand is higher than World supply for 2019

Update on Petcoke Import Ban in India

- The Company has been evaluating various regulatory, legal, operational and commercial alternatives to minimize the impact of restrictions on importing GPC and CPC
- RAIN's GPC allocation by the Director General of Foreign Trade ("DGFT") for the financial year ending March 31, 2020 will not be sufficient to operate the existing CPC plant fully, the Company is exploring options such as:
  - Procuring anode-grade GPC from domestic refineries
  - Utilising proprietary technologies for calcining domestic non-anode GPC and other materials
- The Company filed a petition during May'2019 seeking clarification with regard to:
  - Need for calciners to have Flue Gas Desulphurisation ("FGD") equipment which can scrub / remove 90% of Sulphur generated in calcination of GPC
  - Allocation of GPC to Special Economic Zone ("SEZ") plant
- Creation of new sales distribution channels continue to be explored

Ongoing Capital Expansions

Vertical-Shaft Calcination Plant, India

- Phase 1 of kiln structuring completed and pre-heating commencement estimated to start by end of Q3 2019
- Total estimated completion costs of US$ 71 million, includes incremental costs of advanced ammonia scrubbing installation, which will result in zero Sulphur-dioxide emissions
- Benefit from this expansion project to begin in 2020

Hydrogenated Hydro Carbon Resins (HHCR) Plant, Germany

- Operations expected to begin end of Q3 2019
- Total estimated completion cost of US$ 93 million; increased costs to utilise new proprietary technology improving quality of our product and general construction cost increases due to tight construction market in Europe
- NOVARES® pure resins launched at various chemicals and end-user conferences
- These “white-water” resins will be key raw materials for adhesives in food packaging and hygiene products
- The new facility will have the flexibility to customize the product, as per end-user specifications

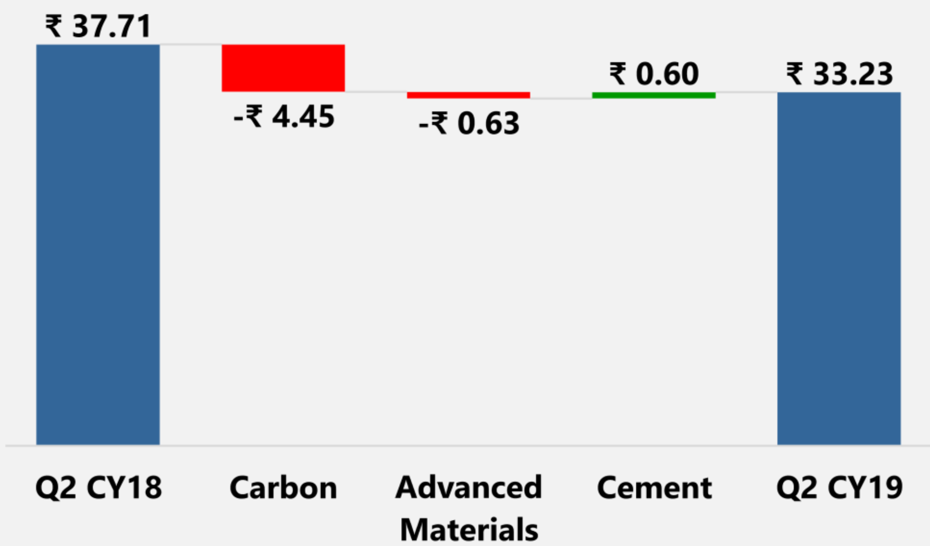
Calciner Hot Stack Erection

HHCR Hydrogenation Unit

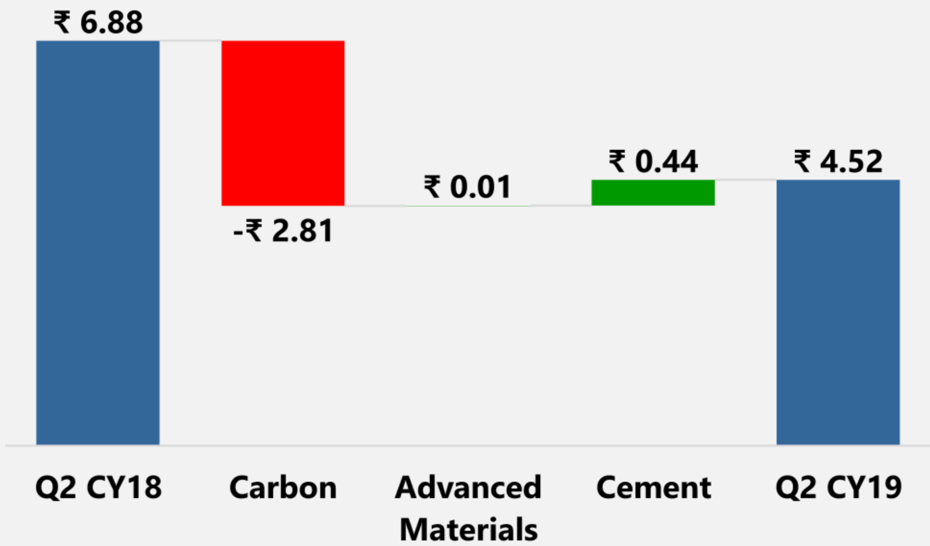
HHCR Pastillation Unit

Consolidated Performance – Q2 CY19

(₹ in Billions)



Revenue (excluding other operating income)



Adjusted EBITDA

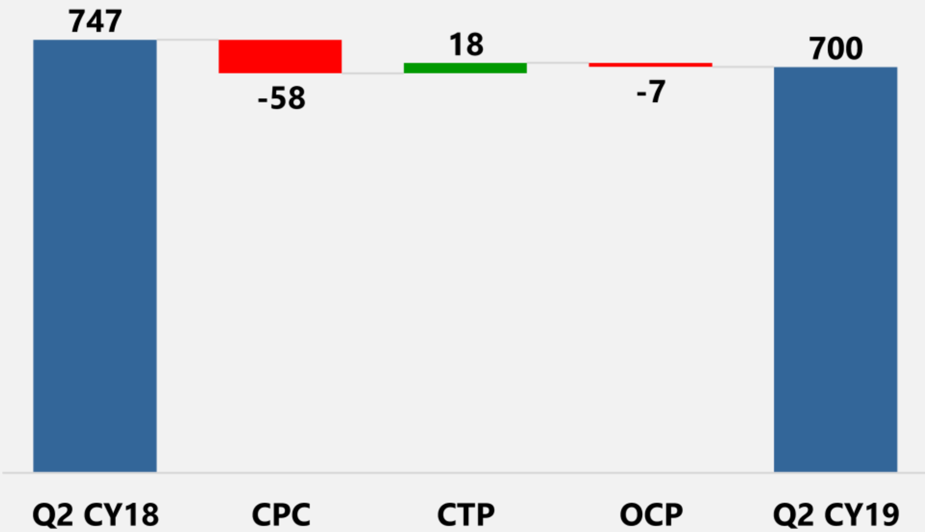
Highlights in Q2 CY19

- Performance in Carbon segment largely impacted by lower volumes and higher raw material costs
- Appreciation of US Dollar by 3.7% and depreciation of Euro against INR by 2.1% impacted results
- The Cement segment improved due to increased volumes

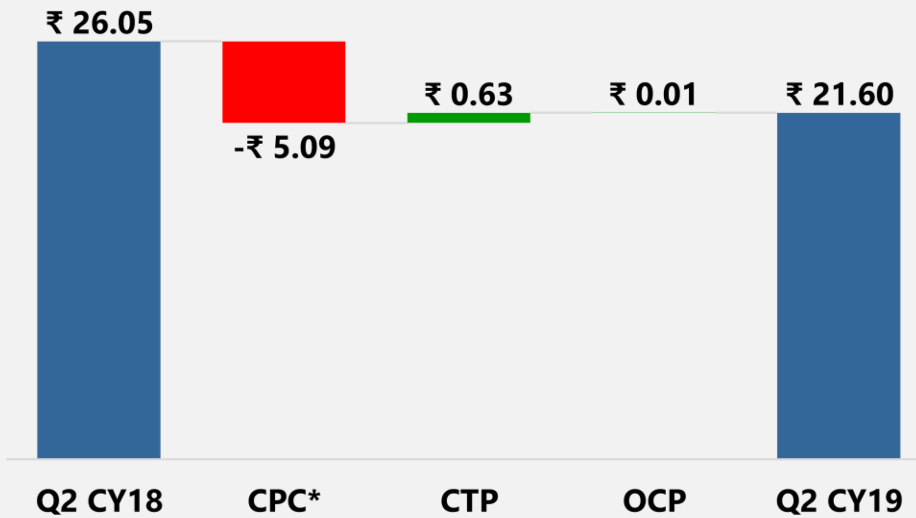
Note: Charts not to scale

Carbon Business Performance – Q2 CY19

(₹ in Billions)



Sales Volumes (tons in thousands)



**Includes Energy Revenue*

Revenue (excluding other operating income)

Highlights in Q2 CY19

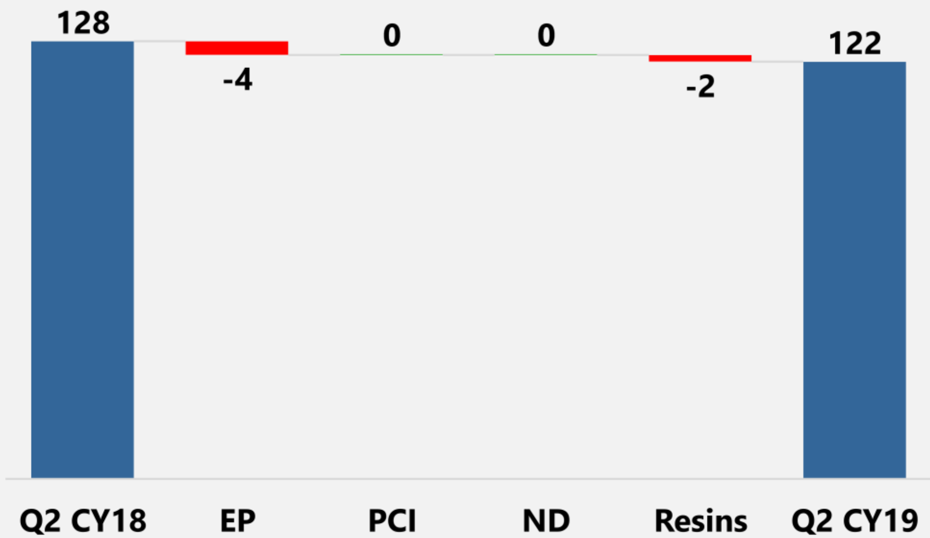
- CPC revenue decreased primarily due to volumes on account of interruption to blending operations in India
- Increase in pitch revenue primarily driven by increased volumes offset by decreased prices
- Adjusted EBITDA decrease of ₹2.8 billion was due to reduced selling prices, higher inventory costs and lower volumes

CPC – Calcined Petroleum Coke; CTP – Coal Tar Pitch; OCP – Other Carbon Products

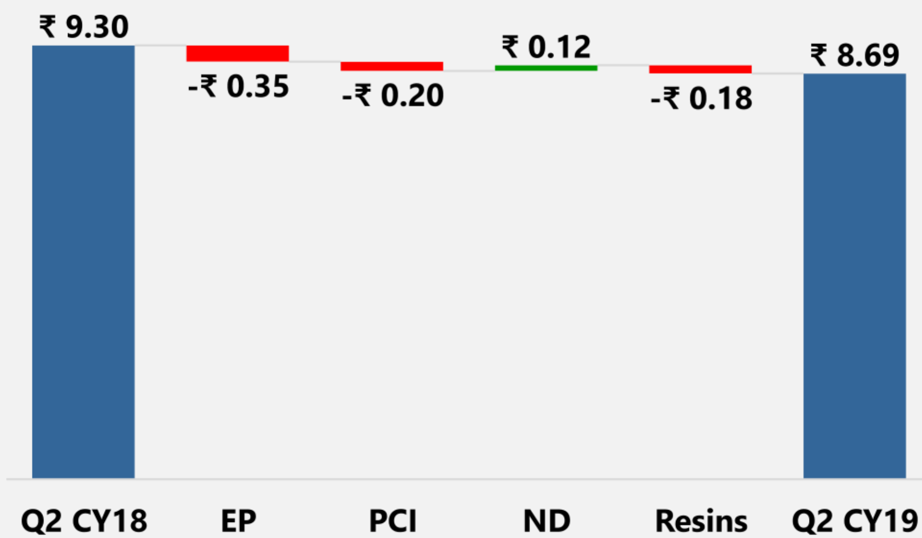
Note: Charts not to scale

Advanced Materials Business Performance – Q2 CY19

(₹ in Billions)



Sales Volumes (tons in thousands)



Revenue (excluding other operating income)

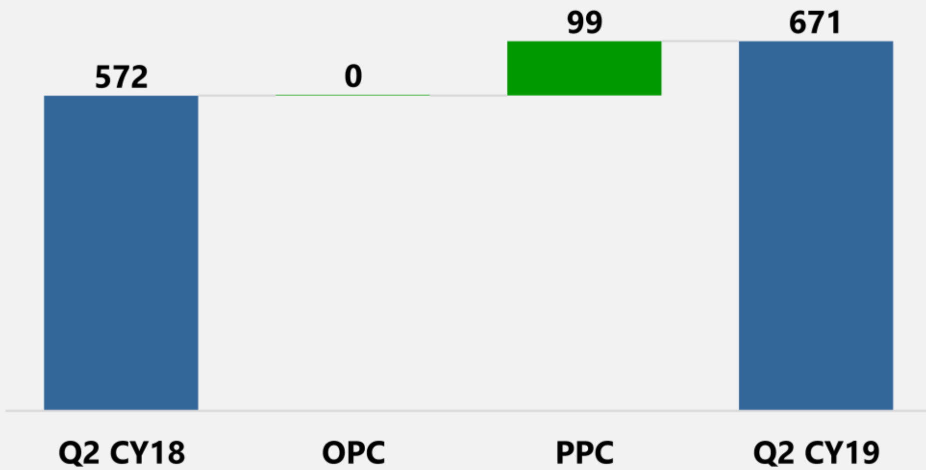
Highlights in Q2 CY19

- Revenue decreased due to decrease in volumes and lower realisation due to product mix
- Lower volumes in resins business due to reduced production and demand from graphite, refractory and adhesive industries
- Adjusted EBITDA marginally increased by 0.9%

EP – Engineered Products; PCI – Petro Chemicals Intermediates; ND – Naphthalene Derivates

Note: Charts not to scale

Cement Performance – Q2 CY19 – (₹ in Billions)



Sales Volumes (tons in thousands)

Revenue (excluding other operating income)

Highlights in Q2 CY19

- Revenue from Cement business increased by 25.4% due to increase in volumes and realisations
- Sales volumes increased across all markets except Andhra Pradesh, Odisha and Kerala
- Adjusted EBITDA from Cement business in Q2 CY19 increased by ₹0.4 billion due to higher volumes

OPC – Ordinary Portland Cement; PPC – Portland Pozzolana Cement

Note: Charts not to scale

Consolidated Debt Position

$ in Millions	Jun.'19	Dec.'18
7.25% USD denominated Senior Secured Notes (due in April 2025)	550	550
Euro denominated Senior Secured Term Loan B (due in January 2025)	443	446
Other Term Debt	63	64
Gross Term Debt	**1,056**	**1,060**
Add: Working Capital	48	72
Less: Deferred Finance Cost	15	17
Total Debt	**1,089**	**1,115**
Less: Cash and cash equivalents	133	122
Net Debt	**956**	**993**
LTM Adjusted EBITDA	228	318

Highlights in H1 CY19

- Cash and cash equivalents of $133 million and unutilised working capital facilities of $172 million.
- Capital expenditure of ₹5.0 billion (~$72 million) during H1 CY19 includes $35.7 million spent on our two major projects under construction – a hydrogenated hydrocarbon resins production facility in Germany and a vertical-shaft calciner in India – as well as expenditure for other expansion projects.
- Net cash used in financing activities of ₹3.9 billion during H1 CY19 includes ₹1.7 billion of net outflows for the repayment of borrowings. Balance of ₹2.2 billion is toward interest payments.

INR in Million	H1 CY19	CY 2018
Operating Activities	9,269	17,144
Investing Activities	(4,873)	(10,324)
Financing Activities	(3,889)	(6,186)

Appendix

Summary of Statement of Operations

₹ in Millions

Particulars	Q2 2019	Q1 2019	Q2 2018	CY 2018
Net Revenue	33,231	31,776	37,706	139,608
Other Operating Income	185	189	349	882
Revenue from Operations	**33,416**	**31,965**	**38,055**	**140,490**
Adjusted EBITDA	**4,518**	**3,551**	**6,875**	**21,471**
Adjusted EBITDA Margin	*13.5%*	*11.1%*	*18.1%*	*15.3%*
Profit (Loss) before share of profit of associates, exceptional items and tax	**2,027**	**1,304**	**4,584**	**9,948**
Add: Share of Profit of Associates, net of income tax	-	-	-	9
Profit (Loss) Before Tax	**2,027**	**1,304**	**4,584**	**9,957**
Tax Expense (Benefit)	559	372	1,546	3,643
Non-controlling Interest	211	244	90	497
Net Profit (Loss) After Tax	**1,257**	**688**	**2,948**	**5,817**
Adjusted Net Profit (Loss) After Tax	**1,413**	**724**	**2,948**	**7,305**
Adjusted Earnings (Loss) Per Share in (₹)*	4.2	2.2	8.8	21.7

Quarterly EPS is not annualized.

Reconciliation of EBITDA and PAT for Q2 CY19

₹ in Millions

Particulars	EBITDA	PAT
A. Reported	**4,199**	**1,257**
B. Adjustments:		
• Inventory adjustments	206	161
• Insurance claims received during the quarter related to prior periods and other operating income adjustments	(50)	(45)
• On account of strategic project expenses at our European operations	163	143
• Reversal of provisions relating to environmental issues	-	(103)
C. Adjusted (A + B)	**4,518**	**1,413**

RAIN – Key Business Strengths

- Three business verticals (Carbon, Advanced Materials and Cement)
- Global presence with 2.1 million tons p.a. calcination capacity, 1.0 million tons p.a. CPC blending capacity, 1.3 million tons p.a. coal tar distillation capacity, 0.7 million tons p.a. advanced materials capacity and 4.0 million tons p.a. cement capacity
- Transforming by-products of oil and steel industries into high-value carbon-based materials essential to numerous manufacturing applications and end products
- Long-standing relationships with raw material suppliers and end customers
- Leading R&D function drives continuous innovation
- Diversified geographical footprint with advantaged freight and logistics network
- Facilities with overall 132 MW co-generated energy capacity
- Refinancing at lower interest rate during January 2018
- Experienced international management team
- Strategy shift from low-margin products to favourable product mix

RAIN CARBON INC.

PRIYA CEMENT
Lives Forever

RAIN Group continues to grow on its core competencies.

Thank You